

JOLIET JUNIOR COLLEGE –
COMMUNITY COLLEGE DISTRICT NO. 525

REPORTS REQUIRED BY
OMB CIRCULAR A-133 AND
GOVERNMENT AUDITING STANDARDS

YEAR ENDED JUNE 30, 2009

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Members of the Board of Trustees
Joliet Junior College –
Community College District No. 525
Joliet, Illinois

We have audited the financial statements of the business-type activities and the discretely presented component unit (the Foundation) of Joliet Junior College – Community College District No. 525 as of and for the year ended June 30, 2009, and have issued our report thereon dated September 29, 2009. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Foundation, as described in our report on Joliet Junior College – Community College District No. 525's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Joliet Junior College – Community College District No. 525's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Joliet Junior College – Community College District No. 525's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Joliet Junior College – Community College District No. 525's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Joliet Junior College – Community College District No. 525's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and the Board of Trustees and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Chicago, Illinois
September 29, 2009

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Members of the Board of Trustees
Joliet Junior College –
Community College District No. 525
Joliet, Illinois

Compliance

We have audited the compliance of Joliet Junior College – Community College District No. 525 with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Joliet Junior College – Community College District No. 525's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Joliet Junior College – Community College District No. 525's management. Our responsibility is to express an opinion on Joliet Junior College – Community College District No. 525's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Joliet Junior College – Community College District No. 525's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Joliet Junior College – Community College District No. 525's compliance with those requirements.

In our opinion, Joliet Junior College – Community College District No. 525 complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Joliet Junior College – Community College District No. 525 is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Joliet Junior College – Community College District No. 525's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but, not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Joliet Junior College – Community College District No. 525's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by any entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and the discretely presented component unit of Joliet Junior College – Community College District No. 525 as of and for the year ended June 30, 2009, and have issued our report thereon dated September 29, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise Joliet Junior College – Community College District No. 525's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management and the Board of Trustees and is not intended to be and should not be used by anyone other than those specified parties.

McGladrey & Pullen, LLP

Chicago, Illinois
September 29, 2009

Joliet Junior College -
Community College District No. 525

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/ Pass Through Agency/ Program Title	CFDA Number	Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
Passed Through Illinois State Board of Education Child and Adult Care Food Program	10.558	\$ <u>2,266</u>
U.S. DEPARTMENT OF COMMERCE, NIST		
Passed Through Chicago Manufacturing Center Manufacturing Extension Partnership	11.611	<u>16,000</u>
U.S. DEPARTMENT OF LABOR		
Workforce Investment Act Cluster		
WIA Adult Program		
Passed Through Will County WIA Work Certified	17.258	70,193
Passed Through Kankakee County WIA Title IB - Grundy County Adult		<u>115,928</u>
Total WIA Adult Program		<u>186,121</u>
WIA Youth Activities		
17.259		
Passed Through Will County		
American Recovery and Reinvestment Act - Will County Youth services		24,300
WIA Title IB - Will County Youth Program		479,816
Passed Through Kankakee County		
American Recovery and Reinvestment Act - Grundy County Youth services		7,308
WIA Title 1Y - Grundy County Youth Services		139,564
WIA Title IB - Grundy County Youth		<u>26,187</u>
Total WIA Youth Activities		<u>677,175</u>
WIA Dislocated Workers		
17.260		
Passed Through Will County		
WIA Work Certified		70,193
Passed Through Kankakee County		
WIA Title IB - High Speed Internet Access		5,253
WIA Title IB - Grundy County DWAC		181,769
WIA Title ID - Grundy County DWAC		-
Total WIA Dislocated Workers		<u>257,215</u>
Total Workforce Investment Act Cluster		<u>1,120,511</u>

Joliet Junior College -
Community College District No. 525

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2009

Federal Grantor/ Pass Through Agency/ Program Title	CFDA Number	Expenditures
NATIONAL SCIENCE FOUNDATION		
Education and Human Resources	47.076	
Direct Program		\$ 4,412
NSF Advanced Tech #0101589		45,155
nTIPERs - Tools for Learning		
Passed Through Governors State University		
CPATH CB: Content and Context: Building Collaborative Partnerships		<u>22,715</u>
Total Education and Human Resources		<u>72,282</u>
SMALL BUSINESS ADMINISTRATION		
Passed Through Illinois Department of Commerce and Economic Opportunity		
Small Business Development Center	59.037	
Joliet Junior College SBDC		47,802
Joliet Junior College SBDC		41,397
Total Small Business Development Center		<u>89,199</u>
U.S. DEPARTMENT OF EDUCATION		
Student Financial Aid Cluster		
Direct Programs		
Federal Supplemental Educational Opportunity Grants	84.007	<u>91,302</u>
Federal Work-Study Program	84.033	
College Work Study		67,777
America Reads		37,462
Job Location and Development		12,536
Total Work-Study Program		<u>117,775</u>
Federal Pell Grant Program	84.063	5,949,573
Federal Direct Student Loans	84.268	4,819,687
Academic Competiveness Grant	84.375	<u>33,350</u>
Total Student Financial Aid Cluster		<u>11,011,687</u>
Adult Education - State Grant Program	84.002	
Passed Through State of Illinois Community College Board		
Federal Basic		450,862
EL/Civics		66,549
Total Adult Education		<u>517,411</u>

Joliet Junior College -
Community College District No. 525

Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2009

Federal Grantor/ Pass Through Agency/ Program Title	CFDA Number	Expenditures
Direct Program		
Undergraduate International Studies and Foreign Language Programs	84.016	\$ <u>95,871</u>
Direct Program		
TRIO - Student Support Services	84.042	
Project Achieve		310,799
Project Achieve		<u>63,948</u>
Total Project Achieve		<u>374,747</u>
Passed Through State of Illinois Community College Board		
Vocational Education - Basic Grants to States	84.048	
Postsecondary Basic: Carl Perkins III		380,563
CTE Innovation		<u>30,172</u>
Total Vocational Education		<u>410,735</u>
Passed Through State of Illinois Community College Board		
Tech-Prep Education	84.243	<u>133,890</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Passed Through State of Illinois Department of Human Services		
Temporary Assistance for Needy Families	93.558	<u>213,453</u>
U.S DEPARTMENT OF JUSTICE		
Passed Through Eastern Illinois University		
IHEC Alcohol Abuse Prevention	16.727	<u>1,039</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 14,059,091</u>

See Note to Schedule of Expenditures of Federal Awards.

Joliet Junior College – Community College District No. 525

Note to Schedule of Expenditures of Federal Awards

Note 1. Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Joliet Junior College – Community College District No. 525 and is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of financial statements. No funds were identified as having been provided to subrecipients by Joliet Junior College – Community College District No. 525 under the meaning of Sections 105 and 210 of OMB of Circular A-133, and accordingly, no funds identified in the Schedule of Expenditures of Federal Awards are attributable to subrecipient entities as required under Section 310(b) of OMB Circular A-133. There were no federal awards expended for non-cash assistance, insurance or loan guarantees outstanding at year-end.

Basis of accounting: The schedule has been prepared using the accrual basis of accounting which is the same basis used in preparing the basic financial statements of the District.

Joliet Junior College – Community College District No. 525

Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified that is not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs:

Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiency(ies) identified that is not considered to be material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>	<u>Amount Expended</u>
84.002	Adult Education - State Grant Program	\$ 517,411
84.007, 84.033, 84.063, 84.268, & 84.375	Student Financial Aid Cluster	\$ 11,011,687

Dollar threshold used to distinguish between type A and type B programs	\$421,000
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Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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Joliet Junior College – Community College District No. 525

Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

II. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with generally accepted government auditing standards.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for federal awards.

Joliet Junior College – Community College District No. 525

Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs and no uncorrected or unresolved findings exist from the prior year's Summary of Prior Audit Findings.